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09/805,485	03/13/2001	James B. Pugh	P/52-3	3758

7590 05/11/2004  
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EXAMINER

PWU, JEFFREY C

ART UNIT PAPER NUMBER

3628

DATE MAILED: 05/11/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/805,485

Applicant(s)

PUGH, JAMES B.

Examiner

Jeffrey Pwu

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*MW*

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☐ Responsive to communication(s) filed on \_\_\_\_.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-45 is/are pending in the application.
- 4a) Of the above claim(s) 20-45 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-19 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

## Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

## Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_.
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_.

## DETAILED ACTION

### *Election/Restrictions*

1. Claims 20-45 are withdrawn from further consideration pursuant to 37 CFR 1.142(b) as being drawn to a nonelected claims, there being no allowable generic or linking claim. Election was made **without** traverse in Paper No. 6.

### *Title*

2. The title of the invention is not descriptive. A new title is required that is clearly indicative of the invention to which the claims are directed.

### *Abstract*

3. Applicant is reminded of the proper content of an abstract of the disclosure.

A patent abstract is a concise statement of the technical disclosure of the patent and should include that which is new in the art to which the invention pertains. If the patent is of a basic nature, the entire technical disclosure may be new in the art, and the abstract should be directed to the entire disclosure. If the patent is in the nature of an improvement in an old apparatus, process, product, or composition, the abstract should include the technical disclosure of the improvement. In certain patents, particularly those for compounds and compositions, wherein the process for making and/or the use thereof are not obvious, the abstract should set forth a process for making and/or use thereof. If the new technical disclosure involves modifications or alternatives, the abstract should mention by way of example the preferred modification or alternative.

The abstract should not refer to purported merits or speculative applications of the invention and should not compare the invention with the prior art.

Where applicable, the abstract should include the following:

- (1) if a machine or apparatus, its organization and operation;
- (2) if an article, its method of making;
- (3) if a chemical compound, its identity and use;
- (4) if a mixture, its ingredients;
- (5) if a process, the steps.

Extensive mechanical and design details of apparatus should not be given.

***Claim Rejections - 35 USC § 101***

4. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

5. Claims 1-19 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

For a claim to be statutory under 35 USC 101 the following two conditions must be met:

- 1) In the claim, the practical application of an algorithm or idea result in a useful, concrete, tangible result, AND
- 2) The claim provides a limitation in the technological art that enables a useful, concrete, tangible result.

As to the technology requirement, note MPEP Section iV 2(b). Also note In Re Waldbaum, 173USPQ 430 (CCPA 1972) which teaches “useful arts” is synonymous with “technological arts”. In re Musgrave, 167USPQ 280 (CCPA1970), In re Johnston, 183USPQ 172 (CCPA 1974), and In re Toma, 197USPQ 852 (CCPA 1978), all teach a technological requirements.

***Claim Rejections - 35 USC § 103***

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

***Claim Rejections - 35 USC § 102***

7. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

8. Claims 1-19 are rejected under 35 U.S.C. 102(b) as being unpatentable over Morea et al. (US 2002/0120537).

Morea et al. disclose claims:

1. A system for providing financial transactions on the Internet comprising:  
a merchant bank linked to a processing center (fig.12, 402, 404); forms of payment (fig.14, payment types); and an escrow system (paragraph [0003], [0073]; claim 47).
2. The system of claim 1 wherein said system matches a zip code of said merchant to banks having Zip codes nearby and sends an application to said banks for a quote [claim 53].
3. The system of claim 1 wherein said banks include national syndicated banks, international banks and offshore banks ([0003], [0031], [0041], [0071], claims 10 and 36).
4. The system of claim 1 wherein said form of payment is selected from the group consisting of; manual entered credit card, card present transaction using outside company, proprietary devices

(i.e., eConnect, eCashPad), PIN Debit transactions using same type of card present devices, on-line check, savings account drafts, money market checks, margin security check, on-line credit line pulls, wire transfers, sight drafts, letter's of credit, and similar forms of payment (92; payment methods).

5. The system of claim 4 wherein all forms of payments outside of credit card are treated as an ACH transaction where funds are pulled immediately from a purchaser's account if funds are available (ACH/EFT; 92)

6. The system of claim 1 wherein a purchaser can interact with a processing center on-line in selecting alternative payment methods if said first form of payment chosen by a purchaser does not have available funds (figs. 1-3).

7. The system of claim 1 further comprising; a foreign currency exchange for a purchaser if an ACH form of payment has been selected ([0003], [0031], [0041], [0071], claims 10 and 36).

8. The system of claim 1 further comprising an encryption process for encrypting a transaction ([0122], [0121]).

9. The system of claim 8 wherein said encryption process takes a transaction and encrypts it as a purchaser loads data into a shopping cart payment process ([0122], [0121]).

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10. The system of claim 8 wherein said encryption process is only de-encrypted when said transaction reaches said processing center ([0122], [0121]).

11. The system of claim 1 wherein each ACH transaction is placed into an escrow account on behalf of a purchaser and held there until said merchant completes said transaction (paragraph [0003], [0073]; claim 47).

12. The system of claim 11 further comprising; said system electronically matching and clearing said transaction by moving funds out of said escrow into a merchant account (ACH).

13. The system of claim 12 wherein said system provides notification to said purchaser that a time limit of said escrow has ended and allows said purchaser either to extend said escrow or request a refund of funds (paragraph [0003], [0073]; claim 47).

14. The system of claim 1 further comprising; an accounting system that stores details of transactions for retrieval (figs. 3-4).

15. A method for providing financial transactions on the Internet comprising: providing a shopping cart selection and merchant account application; linking an e-commerce shopping cart to a processing center; choosing a shopping cart; creating a merchant account; providing merchant account information; submitting said merchant account information to a bank; submitting said merchant processing request to processing centers for transaction processing

quotes; notifying said merchant of banks who approved said merchant account request and processing center and their rates; and selecting said bank and processing center (method steps of figs. 1-5).

16. The method of claim 15 wherein said shopping cart is selected from the group consisting of an Internet service access processor combined shopping cart, or another shopping cart or e-commerce existing platform. (figs. 7-11)

17. The method of claim 16 wherein said another type of shopping cart has a payment processing platform (fig.s 7-11).

18. The method of claim 15 wherein if said user does not get a processing center quote, an ASP/e-commerce site programming organization downloads Internet service access processing engine and links this to an e-commerce site (fig.5).

19. The method of claim 18 wherein said ASP/e-commerce site programming organization performs a transaction test (fig.5).

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jeffrey Pwu whose telephone number is 703 308-7835. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Sam



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Sough can be reached on 703 308-0505. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Jeffrey Pwu



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